

HR XXXX
Rare Earths and Critical Materials Revitalization Act of 2010

Section-by-Section Analysis

The purpose of the Rare Earths and Critical Materials Revitalization Act of 2010 is to develop a rare earth materials program and to amend the National Materials and Minerals Policy, Research and Development Act of 1980 (30 U.S.C. 1601 et seq.).

SECTION 1. SHORT TITLE; TABLE OF CONTENTS

Allows citation of the bill as the “Rare Earths and Critical Materials Revitalization Act of 2010” and provides the legislation's Table of Contents.

SECTION 2. DEFINITIONS

Defines the terms "Appropriate Congressional Committees," "Center," "Department," "Rare Earth Materials," and "Secretary" as they are used in the bill.

TITLE I – RARE EARTH MATERIALS

SEC. 101: RARE EARTH MATERIALS PROGRAM

(a) ESTABLISHMENT OF PROGRAM. –

(1) IN GENERAL.-- The Department of Energy is authorized to conduct research, development, demonstration, and commercial application activities that will restore a long-term, secure and sustainable supply of rare earth materials to meet the needs of the United States.

(2) ACTIVITIES. – The program is to conduct activities spanning the entire production cycle for rare earth materials, to include: carrying out theoretical geochemical research; applying advanced methods for locating and recovering rare earths; finding better technologies to enable rare earth material production; understanding and improving the use of rare earths in product designs; seeking substitutes for rare earths; and conducting projects to reduce the use of rare earth materials or recycle these from existing products.

(3) IMPROVED PROCESSES AND TECHNOLOGIES. – The program is to seek new or significantly improved processes and technologies for the rare earth materials industry.

(4) EXPANDING PARTICIPATION. – The Secretary is directed to seek multidisciplinary collaborations among program beneficiaries and to promote opportunities for students at colleges and universities to contribute to these collaborations.

(5) CONSISTENCY. – The program should be consistent with the overall national materials research and development program required by the National Materials and Minerals Policy, Research and Development Act of 1980.

(6) INTERNATIONAL COLLABORATION. – The Secretary should seek to collaborate with appropriate Directorates of the European Commission to maximize benefits and avoid duplication of projects.

(b) RESEARCH AND DEVELOPMENT INFORMATION CENTER. –

(1) IN GENERAL. -- The Secretary will conduct a competition to select a Center that will collect the results from the projects conducted by the rare earths materials program.

(2) ACTIVITIES. – The Center is to serve as the repository for the information generated by the research and development projects supported by the program; the staff is to assist scientists and engineers in using the Center's data while seeking other information to enhance the value of the Center's collection and to provide advice to the Secretary regarding the program's research and development activities; and the Center is to host conferences to promote collaboration and information sharing on rare earths. No more than 2.5 percent of funds appropriated for the rare earths materials program may be used to fund such conferences.

(c) PLAN. –

(1) IN GENERAL.-- Within six months of the date of enactment, and every two years thereafter, the Secretary shall submit to the House Committee on Science and Technology, the Senate Committee on Commerce, Science and Transportation and the Senate Committee on Energy and Natural Resources the plan governing the rare earth materials program.

(2) SPECIFIC REQUIREMENTS. – The Secretary is required to describe the following items in the plan: the research and development activities expected during the next two years; how these activities will lead to improved methods and technologies in the domestic rare earth materials industry; how applications for loan guarantees will be evaluated; any loan guarantees outstanding and their current status; the program's efforts to expand participation; and responses to recommendations from a National Academy of Sciences assessment of the program after its fourth year of operation.

(3) CONSULTATION. – The Secretary is directed to consult widely with those knowledgeable about rare earths and associated industry when preparing the program plan.

(d) ASSESSMENT. – The Secretary will contract with the National Academy of Sciences to assess progress in the rare earth materials program after four years and to make a recommendation to the Secretary about the continued need for the program.

(e) AUTHORIZATION OF APPROPRIATIONS – The program is authorized \$70 million over a five-year period (\$10 million in year one and \$15 million in the following four years). These funds remain available until expended. To cover the cost of conducting the assessment by the National Academy of Sciences, \$700,000 is authorized from these funds.

SEC. 102: RARE EARTH MATERIALS LOAN GUARANTEE PROGRAM

(a) AMENDMENT. – Amends Title XVII of the Energy Policy Act of 2005, which authorizes the Department of Energy to issue loan guarantees for projects that "avoid, reduce or sequester air pollutants or anthropogenic emissions of greenhouse gases[,] and employ new or significantly improved technologies as compared to commercial technologies in service in the United States at the time the guarantee is issued," to ensure that certain projects involving rare earth materials are eligible for consideration. The following new section is added to the Energy Policy Act of 2005:

“SEC. 1706: TEMPORARY PROGRAM FOR RARE EARTH MATERIALS REVITALIZATION

“(a) IN GENERAL. – Authorizes the Department of Energy to issue loan guarantees for the commercial application of technologies that are new or significantly improved compared to those currently in use in the United States for projects involving the separation and recovery of rare earth materials from ores and other sources; their preparation in oxide, metal, alloy or other forms; or their application in improved magnets, batteries, refrigeration and optical systems, electronics, catalysis and other products and uses.

“(b) TIMELINESS. – The Secretary is directed to expedite approval of loan guarantee applications insofar as the interests of taxpayers remain protected.

“(c) COOPERATION. – The Secretary is to work with the private sector toward the goal that facilities covering all phases of the production of rare earth minerals, from mining to the manufacture of finished products, be operating within five years the bill’s signing.

“(d) SUNSET. – Loan guarantees under this program can be issued only through September 30, 2018.”

(b) TABLE OF CONTENTS AMENDMENT. – Amends the table of contents for the Energy Policy Act of 2005 by inserting an entry for the new Section 1706.

TITLE II – NATIONAL MATERIALS AND MINERALS POLICY, RESEARCH AND DEVELOPMENT

SECTION 201: AMENDMENTS TO NATIONAL MATERIALS AND MINERALS POLICY, RESEARCH AND DEVELOPMENT ACT OF 1980

(a) PROGRAM PLAN. – Amends Section 5 by replacing the original date of enactment with the date of enactment of the current bill; substituting the name of the National Science and Technology Council for that of the defunct Federal Coordinating Council for Science, Engineering and Technology; eliminating mandatory consultation with the Federal Emergency Management Administration, the secretaries of Interior and Defense, and the Director of the Central Intelligence Agency by the Secretary of Commerce in regard to certain requirements placed on the latter secretary to report to Congress; eliminating a requirement that the Secretary of Commerce report to Congress within 3 months of enactment; eliminating certain duties assigned to the secretaries of Interior and Defense; and makes conforming and clarifying changes.

(b) POLICY. – Amends Section 3 by making clarifying changes.

(c) IMPLEMENTATION. – Amends Section 4 by making clarifying changes.

SECTION 202: REPEAL

Repeals the National Critical Materials Act of 1984 (30 U.S.C.1801; 98 Stat. 1248) because the council authorized under the Act no longer exists.